Internal Audit's Newsletter – Fall Edition 2008

Fall 2008

Basic IT Internal Controls? What are they?

- IT Internal Controls are the controls that are put into place to safeguard information technology equipment and protect sensitive data.

Note:
Sharing Passwords is a direct violation of the City's IT Policy 403 – 12.6!
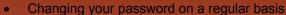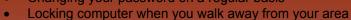
Tips for Protecting your Passwords:

- Passwords such as your birthday, spouse's name, and children's names should not be used because they are easy to break. Ensure passwords include a character (*), numbers (123), and letters.
- Passwords should NOT be stored under your keyboard, taped to your screen or at any other readily accessible location. If you must write passwords down, they should be stored in a secure location like a locking filing cabinet.
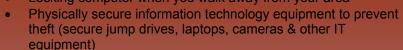- Do **NOT** give your passwords to anyone for any reason.
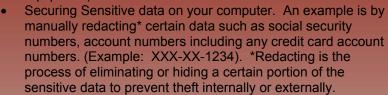
Reminder:
Remember you are responsible for your username and password and your activity can be tracked by your username.

Basic Information Technology (IT) Internal Controls Include:

- Changing your password on a regular basis
- Locking computer when you walk away from your area
- Physically secure information technology equipment to prevent theft (secure jump drives, laptops, cameras & other IT equipment)
- Securing Sensitive data on your computer. An example is by manually redacting* certain data such as social security numbers, account numbers including any credit card account numbers. (Example: XXX-XX-1234). *Redacting is the process of eliminating or hiding a certain portion of the sensitive data to prevent theft internally or externally.

Setting the Tone at the Top & Securing Our Information Technology:

- Each organization adheres to specific cultural traits starting from the top of the organization.
- It is the responsibility to set the tone at the top of the organization by the department heads and other managerial staff to help establish and enforce proper internal control procedures.
- It's imperative that we protect our City's business operations from unwanted, disruptive, and potentially embarrassing intrusions.

Internal Audit Current Events:

- Internal Audit Division recently completed & had approved the **Fraud Policy! City of Wilmington Policy Number 111.**
- All City Employees should familiarize themselves with the requirements of this policy and know and understand the proper procedures to report any known Fraud or Corruption.
- Internal Audit is currently working closely with the Finance Department to strengthen internal controls surrounding the Purchasing and Inventory Module in the HTE System. We appreciate everyone's patience and understanding during this transition. Please do not hesitate to call with any questions or concerns. We are here to help.

$$ FRAUD FACTS – FRAUD CAN COST THE ENTIRE ORGANIZATION MONEY $$

- Total Financial Losses from Fraud Average in the U.S. to be upwards of $3.2 million per organization in 2007, up from $2.4 million per organization in 2005.
- The three industries hit hardest by Fraud are Insurance, Retail, and Government!
  - Source: Institute of Internal Auditor Magazine

Please Contact Internal Audit for any questions or concerns at (910) 341.5828

Don't Forget to Vote on November 4, 2008!